

Socialist Standard

Official Journal Socialist Party of Great Britain and World Socialist Party of Ireland

JANUARY 1968 | 6d

WHAT PLAN? REPORT FROM MOSCOW DEVALUATION FUNDAMENTALISTS

page 4



SOCIALIST PARTY OF GT. BRITAIN

OBJECT

The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

DECLARATION OF PRINCIPLES

THE SOCIALIST PARTY OF GT. BRITAIN holds:

- 1) That Society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class by whose labour alone wealth is produced.
- 2) That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce, and those who produce but do not possess.
- 3) That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.
- 4) That as in the order of social evolution the working class is the last class to achieve its freedom the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.
- 5) That this emancipation must be the work of the working class itself.
- 6) That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutocratic.
- 7) That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working-class emancipation must be hostile to every other party.
- 8) The SOCIALIST PARTY OF GT. BRITAIN, therefore, enters the field of political action, determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be wrought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

Those agreeing with the above principles and desiring enrolment in the Party should apply for membership form to secretary of nearest branch or at Head Office.



REVIEW



Presidential Election

In the United States, this is Presidential election year. The business of winning the Presidency is long and complicated and costly. Kennedy's campaign, first for the Democratic nomination and then for election, in 1960 and Goldwater's for the Republican nomination in 1964, were classics of their kind in political strategy and technique.

For some time now, the men who are in the running have been organising the same sort of campaign, although most of the jockeying has been confined to the Republicans.

It would need a political earthquake to lose Johnson the Democratic ticket and Senator Eugene McCarthy, who will contest the nomination with Johnson on the issue of Vietnam, is probably little more than a slight tremor on the surface.

As their convention draws closer, the Republicans' internal fight will become more bitter. Romney, Reagan and Nixon are now in the running and Rockefeller is always a possibility.

The point about all these men, on both sides, is that they hold out promise to the American electors. McCarthy wants to go easy on Vietnam; he promises peace. Rockefeller is strong for Civil Rights, Romney for what is called good, honest government. Reagan wants to go it harder in Vietnam, is cool on Civil Rights. Nixon seems, as ever, ready to do a deal on anything.

Johnson will promise that, if only he is given another chance, all will be well, all problems solved, all pledges redeemed.

The American workers will take their pick of the promises offered them. Listening to their candidates, how many of them will recall the many disappointments in the past? Johnson himself is an historic example of promises gone sour, of a smooth-tongued President who has had to use his talents to explain away the unpleasant realities of capitalism.

Like workers everywhere, the American voters have had plenty of this. Sadly, there can be little expectancy that in 1968 they will show that they have had enough.

Pilots' Strike

Airline pilots are supposed to have one of the best jobs in the world. Glamour, excitement, travel, good pay—these are what most people enviously imagine the pilots' job to consist of.

In truth, as any pilot will tell you, there is a lot more to it. The strain of the job—of being responsible for an expensive aircraft and the lives of its passengers, of adjusting their life to the varying times of the world, can be enormous.

At peak travel periods, piloting an aircraft along a busy

route can be little short of drudgery. The pay, to be sure, is above average. A pilot just out of training school gets £1500 a year and usually soon reaches about £2200. The top men, flying the big jets, can get as much as £5800 a year.

This is what made the go-slow and strike—things more usually connected with railwaymen and dockers—such a cause of amusement. Why should the man with rings on his sleeve, wings on his breast and a few thousand a year going into his pocket, want to strike?

Part of the answer to this question was given by Roy Merrifield, chairman of the British Airline Pilots' Association, when he said "... we felt we had every reason in the circumstances to take strong industrial action against BOAC."

The "circumstances" consisted of a dispute between the pilots and the airline over accommodation, pay and conditions of work—in other words, the same issues that bring dockers and railwaymen into conflict with their employers.

The pilots' campaign was amusing and incomprehensible only to anyone who thought that only lower paid workers ever strike. It showed that all those who have to work for a living, whatever the scale of their pay or the attractions of their job, are members of one class with one common interest.

Higher paid workers like airline pilots have to learn this. As a matter of fact, so do the lower paid.

Callaghan Out

When James Callaghan resigned from the Chancellorship of the Exchequer, he changed something besides his job. Almost overnight he became transformed in popular conception—from Crafty Callaghan to Honest Jim, the man who could not bear to tell a lie.

The reason for this sudden metamorphosis was that Callaghan had lied about his intention to devalue the pound and then, although there was the precedent of Cripps to persuade him to do otherwise, he had chosen to give up the post of Chancellor.

The newspapers were so overcome by this example of what they decided was political honesty that they completely failed to raise two important points.

Firstly, none of them asked whether Callaghan might be resigning not so much in remorse over his lie as because his financial policies, on which he had more or less pledged his career, had collapsed.

Secondly, Callaghan said he was resigning as an act of apology for misleading the financial world. Now if it is to become the fashion for Ministers to surrender their offices over broken pledges there is no reason for it to stop at Callaghan.

The entire Labour government have misled, mostly deliberately, the people who voted for them. Yet so far they show no sign of resignation, nor remorse, nor even regret.

There is only one conclusion to be drawn from this. The Labour government are more concerned over the impression they make on the international financiers than the one they make on the British working class.

This is a reflection on the government, on its capitalist nature. But it also says a lot about the people who voted for them, and who are so obviously despised by them.

Jenkins In

Roy Jenkins, Callaghan's successor, too has said some unfortunate things in the past. Only he was calling for an attack on the living standards of the rich—an even more embarrassing thing for a Labour leader these days. Many years ago, in 1951, Jenkins wrote a Tribune pamphlet called *Fair Shares for the Rich*. That was in the days when the Labour Party still talked about redistributing wealth and creating a more equal society (an empty dream under capitalism anyway). Jenkins suggested a capital levy so high as to be "a swingeing property tax" and a "fiscal onslaught on the large property-owner". So successful did he expect this onslaught to be that he wrote that after it there would not be enough rich people around to own private industry which would therefore have to be nationalised. Under his plan all wealth owned by individuals above a certain level was to be confiscated and used to pay off the national debt. He wrote:

Confiscation means simply the seizure, by authority, of private property, and would thus be a perfectly fair description of what was taking place.

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SOCIALIST PARTY OF GB, BRITAIN

The Executive Committee meets every Tuesday at the SPGB Head Office, 52 Clapham High Street, London, SW4 at 7.30 pm.

Orders for literature should be sent to the Literature Department at the above address.

Correspondence for the Executive Committee should be sent to the General Secretary, SPGB, 52 Clapham High Street, London SW4 Tel. 01-622 3811.

Letters containing Postal Orders etc. should be sent

to E. LAKE, SPGB, at the above address. Postal orders and cheques should be crossed and made payable to the SPGB.

Articles, correspondence, notices of meetings, etc., for the "Socialist Standard" should be sent to the Socialist Standard Production Committee, 52 Clapham High St., London, SW4.

WORLD SOCIALIST PARTY OF IRELAND

The Executive Committee meets 4th Sunday of each month at the Head Office, 5 Granville Buildings, 53 High Street, Belfast 1, at 3.30 pm.

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What Plan?

The National Plan was dreamed up by the Department of Economic Affairs back in the palmy days of 1965. At the time Harold Wilson described it as a "national crusade for higher productivity" and George Brown wrote that its embodied "all our hopes for maintaining full employment and raising our standards of living." Not surprisingly the Labour Party has since then done its best to give the Plan a quiet burial.

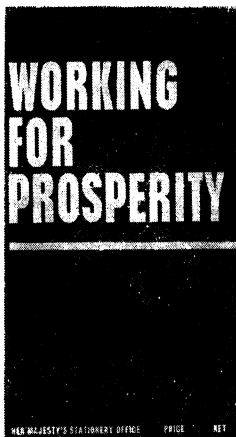
In its aims the National Plan was beautifully simple. The overall objective was to increase national production by 25 per cent (i.e. £8,210 million) by 1970. It pointed out that the balance of payments had been in the red by £750 million in 1964 and that this had resulted in heavy loans from the International Monetary Fund. As a solution, the Plan envisaged a steady improvement in these figures: "we shall need to get back into balance during 1966 and then into surplus; by 1970 we shall need a surplus of about £250 million." This was to be achieved largely by boosting exports which, during the barren years of Conservative rule, had been expanding at an average rate of only 3 per cent a year. Now they were to be stepped up by "over 5 per cent a year up to 1970. No one can say that this target is crying for the moon!" On the other hand, imports were to be effectively controlled and, "taking everything into consideration", these would grow by no more than 4 per cent a year. The trade deficit was in this way destined to be cut dramatically, from £534 million in 1964 to about £50 million in 1970.

The Plan also gave prominence to its schemes for expanding the labour force. "On industry's present plans 800,000 more workers will be needed if the 25 per cent increase in output is to be achieved". The hundreds of thousands of new jobs in the manufacturing and construction industries were to more than compensate for any shake-out in mining, the railways and other declining areas of employment. Prices were going to be magically frozen and, since wages would be creeping up steadily by 3-3½ per cent a year on average, "our personal consumption . . . should rise by one-fifth by 1970." "This is not a policy of restriction. It is intended to increase the value of what our pay packets will actually buy and get away from purely paper increases cancelled out by higher prices."

The future was going to be rosy in other ways as well. Expenditure on health and welfare services was to rise from £1,238 million in 1964/65 to £1,529 million in 1969/70. To

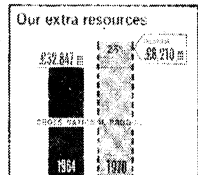
JENKINS IN : concluded from previous page)

No doubt Roy Jenkins and his colleagues are praying that this old pamphlet does not reach the hands of "the gnomes of Zurich". For such talk could easily set off another run on the pound. But perhaps the foreign bankers are, like us, a little sceptical. After all seventeen years is a long time. Anyway, we look forward to next April's budget and its fiscal onslaught on the rich. We don't think.



The task ahead

There is a lot to be done in the years ahead. To succeed we must get it done quickly. It is no use waiting away from the fact that we are heavily in debt to the rest of the world, and our trade must be kept very close. We have got to make sure that we do not get into the sort of mess again. This means big changes in the way we do things, so that we can get production up, costs down, and, at the same time, get enough abroad to pay our bills. Our aim is to get the balance of payments in the black by 1970. This is not an easy task, but it is a task which we must take on. We must get the balance of payments in the black by 1970. This is not an easy task, but it is a task which we must take on. We must get the balance of payments in the black by 1970. This is not an easy task, but it is a task which we must take on.



meet the housing shortage, half a million new homes were to be built each year by 1970 (as compared to 383,000 in 1964). But these were only details when compared to the underlying ambition. Once and for all the crises and upsets of capitalism were to be abolished—by the stroke of a bureaucrat's pen! "We have had too many crises in the last ten years . . . Sometimes the only quick way of dealing with these crises was by cuts and squeezes at home . . . The whole point of the Plan is to break out of this vicious circle once and for all." (their emphasis)

Although the working class in general greeted the plan with a healthy indifference, it fired the imagination of many economists. By the end of 1965, after the Plan had been in force for a grand total of four months, some of them were becoming quite enthusiastic.

The Chancellor has every reason to feel encouraged by this ending to a year in which exports rose by 7 per cent and the average monthly trade deficit was halved. Even if he did not quite hit his target of halving the total balance of payments deficit during 1965, it is now clear that he cannot have fallen far short of it . . . Mr. Callaghan is running to time towards his objective of eliminating the payments deficit by the end of 1966. (Financial Times, 13/1/66)

But 1966 was a great year for wrecking illusions. The pundits had a variety of hypotheses to account for the sorry state of the economy but they were united on one issue—all was not going according to plan. Perhaps Victor Morgan, Professor of Economics at Manchester University, spoke for them all when he said:

The year 1966 should stand as an awful warning to those of us, both in official circles and outside, who indulge in the black arts of economic forecasting. At the end of 1965, the government was confidently looking forward, on the basis of existing policies, to a rapid improvement in the balance of payments, and this view was generally shared by academic and business economists. In fact, we have been subjected to another massive dose of deflation, and the current account deficit for the first three quarters, at £234 m., was £87 m. more than in the corresponding period of 1965. . . . the rate of growth of national output [is down] to an average of a little more than 1 per cent a year.

(Financial Times, 31/12/66)

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Callaghan, however, remained optimistic. Nothing had gone fundamentally wrong, he argued. There had been setbacks, for a time economic recovery had even been halted, but dramatic improvements were just round the corner. A sign of this, he claimed, was that the government had "made a good start in repaying (the) debt to the Central Banks. Our reserves have been rising and we have resumed repayment of capital and interest on our North American loans."

Contrast this to what has actually taken place. The final figures for 1967 will not be available for some weeks yet but even so we can see that the Plan is completely on the rocks. Far from being able to repay their debts to the International Monetary Fund and Central Banks, the British capitalist class have applied for further loans of \$300 million. Despite the confident prediction that first 1966, and then 1967, would produce a positive balance of payments Callaghan has ruefully admitted that the capitalists still "need an improvement in our balance of payments of at least £500 million a year..."

The Plan emphasised the importance of boosting exports by means of rebates to exporters and the need for heavy investment in the nationalised industries to provide the basic

growth in fuel, transport and communications which would allow industrial production as a whole to increase. Yet now the government finds itself sabotaging its own plan. Among the economic reforms which followed the devaluation of the pound, two of the most important measures were to abolish refunds to exporters to the tune of £100 million and to reduce public spending (which includes capital investment in nationalised industries) by another £100 million. Apart from all this over half a million unemployed workers know that Labour's brash predictions about creating more jobs have not worked out. And of those workers with jobs, how many now feel confident that their "personal consumption... should rise by one-fifth by 1970"?

The failure to date of the National Plan is a blow to the efforts of the ruling class to strengthen the world standing of British capital. But, in the end, they can afford to take a philosophical view of it all. After all they are still the bosses and, however persistent the difficulties that face them, they can rely on the working class to keep on churning out the profits.—Or can they?

J.C.

Production for Use

You'll only catch Labour Ministers using the word 'Socialism' in two situations. One is at the Party Conference when, hand on heart, they proclaim their "socialist faith". The other is when they are talking about planning. For many others too Socialism and planning are the same. It is true that Socialism does involve planning in the sense of working out ways to achieve given aims. But it is a simple mistake of logic to argue that because Socialism involves planning therefore all planning is socialist.

Planning is only an organisational technique, a tool that can be used in any situation where set ends are to be achieved. Thus generals plan campaigns. Capitalists, too, plan within their factories how to produce a given output as cheaply as possible so as to get the greatest profit. In socialist society free men and women will plan production to meet their needs. Clearly it is useless to discuss planning without first asking: planning for what?

The aim of Socialism will be to provide for the many and various needs of all the members of the community. The satisfaction of human needs will be the guiding principle. So the aim of planning will be to provide what human beings want. The technical side of production will have to operate always within the framework of human welfare instead of as at present within that of profit.

As the means for producing wealth will belong to the community as a whole, Socialism will be a classless society. There will be no built-in conflicts of interest between different sections of society. Further Socialism will be thoroughly democratic since a society based on the rational co-operation of free men and women can only flourish if its members play an active part in running it. This means that the whole administrative structure for planning will be under democratic control. The planners will not be bureaucrats with the power to order people about but duly-chosen delegates carrying out a necessary function on behalf of the whole com-

munity. As *all* human beings will have free access to the wealth they need the conditions for the corruption of officials by material favours just will not exist. And, of course, the coercive apparatus, so necessary to capitalism, will long ago have been disbanded.

Planning in Socialism, then, will be the planned production of wealth for use. This is a huge organizational task but one which mankind, thanks to its experience of capitalism, is quite capable of performing. One of the basic contradictions of capitalism is that while outside the factory or firm it breeds chaos and competition, inside it introduces co-operation and planning. Again, today millions and millions of people the world over are linked in a network of technological-productive relationships. Social co-operation to produce wealth is the rule. Social planning of the use of this wealth, like its social ownership, is not. These must await the coming of Socialism. In fact their achievement is the socialist revolution. But it is not difficult to see how capitalism paves the way for Socialism.

The first task that men and women in socialist society will face in providing for their needs is to decide *what* and *how much* they want. This is not difficult. It is a principle of statistics that though you cannot predict the needs and wants of individuals and small groups the more people involved in any survey the more reliable become the figures—as individual peculiarities even each other out. It is just a matter of research and statistics to work out how much, say, bread or shoes or houses will be needed over a given period. In fact these techniques are already used today by governments, universities and market researchers. And of course socialist society would lose nothing from planning to produce a little more than strictly it needed as a kind of insurance against disasters or even against faulty statistics. If too much were produced then the result would not be the disaster it would today, with factories closing and men thrown out of work. All that would

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happen is that stocks would be larger and people would know how to produce less next time. Similarly if too little were produced.

So, first, it is a question of using social research and statistical techniques to estimate future needs. Such estimates could be submitted for discussion and approval to the community. Naturally, the figures could be challenged and, if demanded, estimates based on different assumptions worked out in much the same way as now the Government Actuary will work out the implications of rival pension schemes submitted by management and unions in the state industries.

Once needs have been estimated and figures for various things agreed on the next problem is to decide *how* they should be produced—that is, where, under what conditions, with what techniques. Working and living conditions will be something that the planners will have to take as given. Minimum standards will have been agreed on previously, by the usual democratic methods, using human welfare and not technical efficiency as the criterion. For instance, from a technical point of view it might be better to set up a power station in some beauty spot. If the community decided that this place should not be spoiled then this would have to be taken into account by the planners. Similarly some production techniques may be ruled out because the community, or even the producers involved, judges them unsafe or unhealthy or degrading. Once the community has decided what working and living conditions it will not tolerate then, respecting these decisions, the planners can begin working out the best technical way to produce the wealth required. This is a complicated task, demanding the use of computing machines, since every branch of industry is dependent, in however indirect a way, on every other. A decision, for instance, to build more

electric cars will mean that more steel, rubber and other things will be needed too. But once the basic ratios are known then the requirements of any combination of needs can be worked out. These ratios are governed mainly by technology which changes very slowly. This technique, associated with Wassily Leontief, is called input-output or inter-industry analysis and should come into its own in the non-commercial society that Socialism will be.

Once produced the wealth must be got to the places where the people who want it are (strictly speaking, this is still part of the production process). As the means for producing wealth will belong to the community so, as soon as it is produced, will all new wealth. There is no question of trying to *sell* it since it was not produced for this purpose but to satisfy human needs—and also since of course buying and selling has no place in Socialism. There is just the technical question of getting the stuff to the distribution centres from where people can freely take what they need.

We have traced, in logical sequence, the process of planned production for use right from the decisions as to what is needed to the delivery of the goods to those who will use them. Note that this is just the logical sequence. There is no reason why the tasks of estimating what will be needed and how it can be provided could not be combined to get out a set of alternative plans to put before the community for choice.

We are not here drawing up any blueprint but merely trying to show that Socialism is *technically feasible* now. The technical basis for Socialism—a technology capable of providing plenty for all, skilled and adaptable working human beings, the statistical and planning techniques—has long existed. What is lacking is just the desire and will to establish it.

A.L.B.

PARTY NEWS

Kent Debate

Last November members of our Woolwich and Dartford branches put over the socialist case at the South East Model Parliament. Our comrade H. Ramsay proposed:

That this House, recognising the failure of the system of private and state ownership known as capitalism to solve the problems of society, declares that the solution of these problems lies in the establishment of a social system based on the common ownership and democratic control of the means and instruments for producing and distributing wealth, by and in the interest of the whole of society.

In what one local paper called "one of the most vigorous and electric debates in the Parliament's first year of life" the main opposition to the motion came from the Tories who were unable in their arguments to rise much above the profit-is-an-incentive and look-at-East Germany level. Needless to say our members were easily able to deal with such objections. The debate

was fully reported in the *Kentish Times* and the *Kentish Independent*.

Debate with Plaid Cymru

On December 10 the Party debated the London branch of Plaid Cymru at one of our Soho Square meetings.

Our comrade Buick argued that the basic fallacy of all nationalism, British as well as Welsh, was in seeking national solutions to world problems. The working class, he said, was a world-wide class. A change of state would not help solve working class problems any more than a change of government. For their cause lay not in the form or type of political set-up but in the economic system. Workers of all lands should unite to change this system from one based on the class ownership of the means of life to one based on common ownership and democratic control with production for use, not profit.

Dafydd Stephens, for the Plaid, said that the Welsh people had a long radical tradition and were still today overwhelmingly left wing. Association with England was holding back social change in Wales. Plaid Cymru, he said, could not wait for

the people of England let alone the people of the world to change. They wanted an independent Wales now. With independence Wales would be able to push through many radical social measures as had other small countries like Norway.

CORRECTION

In the article "Religion Retreats" in the December *SOCIALIST STANDARD* occurs the passage "Catholics and Protestants, Atheists and Jews, are found in any and every political party, according to individual conviction." This, of course does not apply to the Socialist Party of Gt. Britain where rejection of religion, in theory and practice, is a condition of membership.

BOOKS FOR CLASSES

We require books for the purpose of the Party's Educational classes. Any member or sympathiser who wishes to dispose of books on Socialist theory, History or Politics is asked either to donate or offer them to us. All books received will be acknowledged.

PARTY EDUCATIONAL ORGANISER

Who Gains through Devaluation?

Devaluation, as its name implies, is the act of lowering the value represented by the currency of a country in relation to gold. It is a particular form of currency depreciation. Keynes in his *Tract on Monetary Reform*, published in 1923, suggested as a distinction between the two terms that devaluation is currency depreciation which has been "fixed and confirmed by law".

Its importance to capitalism lies in the fact that contracts and loans are drawn up in terms of pounds, dollars, marks and so on, but the values represented by them may be changed, sometimes drastically. If someone lent £100 twenty years ago and received it back to-day it would buy only half what it would have bought when it was lent. A textbook case is that of a British bank which in June 1914 lent 750,000 roubles (worth £78,000) to a Russian bank. Years later when the loan was repaid in the form of 750,000 roubles the rouble had been so devalued that all the British bank received was £5, and the courts upheld this. (It will be noted that the document under which the British Government recently borrowed a large sum through the International Monetary Fund contains a clause that the money has to be repaid, not in pounds, but in the currencies of the lending countries. This is to prevent the lenders being caught by another devaluation of the pound).

In order to guarantee a large measure of stability to the value of the pound, British law for a century before 1914 gave the holder of Bank of England notes the right, on demand, to convert them into a fixed amount of gold, or to convert gold into notes—the rate being approximately a quarter of an ounce of gold to the pound. Under that guarantee the pound was "as good as gold" and was accepted as such in other countries. Now the note is inconvertible, and owing to over-issue, has depreciated so much that at the new rate of \$24 its equivalent in gold has fallen to less than one fourteenth of an ounce instead of the original quarter of an ounce.

If a currency is fixed in terms of a certain weight of gold, devaluation would take the form of fixing it at a smaller weight of gold. The American dollar, under an act of 1900, was fixed at about one twenty-first part of an ounce (one ounce was equivalent to \$20.67). In January 1934 it was devalued to one thirty-fifth of an ounce (one ounce is \$35).

For many years the British pound has been held at a specified rate against the dollar; at \$4.03 from 1940 to 1949, then at \$2.8 and now \$2.4. Through the dollar the pound is thus indirectly related to gold.

Devaluation, both in our own times and historically, has been a common practice. Pick's *Currency Year Book 1966* recorded that in a period of twelve months 22 countries had devalued their currencies, six of them more than once. Keynes observed that "there is no record of a prolonged war or a great social upheaval which has not been accompanied by a change in the legal tender". He held that this historical process was no accident but was the outcome of two factors; the desire of governments to reduce the burden of national debts by repaying them in depreciated currency and the political pull of money borrowers who have a like interest against money lenders.

English history has the example of kings, notably Henry

the Eighth, who depreciated the currency (and pushed up prices) by issuing coins whose real metallic value was below their face value. The seller of an article would insist on being paid a larger number of the debased coins.

Though changes of value are usually downwards they are not invariably so. The German Government upvalued the Mark in 1961 and has recently contemplated a further upward revaluation.

It is mistrust of the stability of most of the world's currencies that has produced massive private hoarding of gold, wherever this is legal and often where it is not.

Generally speaking, while each government can make its own currency legal tender within its own boundaries, payments to other countries must be in the currencies of these countries or in gold—among the exceptions were the pound when it was convertible into gold, and the dollar. If exports from a country are sold abroad in large enough quantities the foreign money received for the exports will be sufficient to pay for imports. American exports have for years been large enough to produce a big surplus, but the size of American investments abroad and of overseas military expenditure including that on the Vietnam war, has been so great that there have had to be large payments abroad in gold. Although American gold holdings are still very large the belief has been encouraged that the American Government may in due course devalue the dollar again.

The situation of British capitalism has been much more precarious. There has not been a large export surplus, and at times there has been a deficit, and foreign holders of balances in London (estimated at about £4,000 Million) fearing devaluation have been in a position to create "a run on the pound" by pulling out their balances. The British gold and dollar reserve has been much too small to withstand the pressure, even with the help of foreign loans.

Foreign bankers and others with balances in London lacked confidence in the pound because they could observe the adverse trade figures, and also the depreciation of the pound internally, as measured by the continued rise of the price level, a much faster rise than in the USA. They have observed the policy of successive British governments of pushing up the issue of currency notes without any regard to the additions really called for by the growth of production and trade. (One of the conditions attached to the latest foreign loan obtained by the British Government through the International Monetary Fund is that "the growth of money supply will be less in 1968 than the present estimate for 1967").

In accordance with the Marxian law of value, commodities express their value in the universal equivalent, gold, the money commodity, because gold, like the rest of commodities, represents a given amount of socially necessary labour.

If day to day buying and selling transactions were carried out in gold coin a certain total amount of gold would be required, representing a certain total value. If the gold is replaced by inconvertible notes the total value represented by the notes remains as before.

If the note issue is doubled the effect is merely that two notes are now functioning in place of the one unit of gold, and the outcome is that prices are doubled. If an article had

been priced at £1 when the pound was $\frac{1}{4}$ of an ounce of gold, the doubling of an inconvertible note issue raises the price to £2. A larger increase of the note issue would correspondingly raise the price level still more.

At one time many economists, though rejecting the labour theory of value, nevertheless arrived at the same practical conclusion. Now the fashion is largely to disregard it.

The British currency note is more than five times what it was before the war, although total production has not even doubled. There are other factors affecting prices one way or the other but this is the main one in recent decades.

This policy of depreciating the pound has produced soaring prices—which all the post-war governments said they did not intend, and has produced the ceaseless race between wages and prices.

Their excuse for the policy of depreciation has usually been that it stimulates the growth of total production, but there is little evidence that it has done so.

But higher prices exact a penalty by increasing the difficulty of selling exports profitably. The Board of Trade reported recently that British exports were less well placed to compete in markets abroad in respect of price than they were twelve years ago—this in spite of big investments of capital to cheapen costs.

The *Financial Times* (21 November) stated that many firms fail to press exports because they are not sufficiently profitable.

Devaluation is a measure designed to counteract in export markets the higher prices resulting from the depreciation of the pound.

An example will show how the 14.3 per cent devaluation affects the prices of articles bought or sold in a country which has not devalued. Before the devaluation of the pound a \$1000 article bought in USA for import to Britain cost £357. After devaluation it costs £417, an increase of 16.67 per cent. Conversely a British export selling in USA for \$ brought in £357 before devaluation and £417 after, again an increase of 16.7 per cent.

The broad result is that devaluation helps British export companies but hits companies dependent on imported raw materials. Within a few days of devaluation it was being said that the better prospects for exports would put up profits by £250 million (*Daily Mail* 22 November). It was also forecast that the internal price level would rise by perhaps 5 per cent or 6 per cent.

The effects of devaluation cannot be isolated from other factors and it is not safe to read into the future what happened in the past. However, for what it is worth, after the 1949 devaluation of 30 per cent prices rose rather faster than they had been rising in the years before, profits rose sharply for two years and then dropped equally sharply, and the balance of payments moved in somewhat the same pattern. Unemployment rose a little then fell, but was back again at a fairly high level within three years.

The Wilson Government's antics over devaluation followed the same humbugging course as in 1949—first the protestations that the government would not devalue because that would be bad for the workers, then the deed, then the pretence that it was a good thing after all.

Just before the Attlee Government devalued the pound on 18 September 1949 the Labour Party monthly journal *Fact* published an article explaining why the government would not devalue:

If the pound were devalued to three dollars... up would go the price of bread. A similar rise would be unavoidable in the price of every commodity in which raw materials imported from outside the Sterling Area are a part of the cost. Thus, if devaluation succeeded in closing the gap (which is doubtful) it would do so by lowering our standard of living. The pound would buy less in Tooting and Bradford, as well as in New York and Winnipeg. Devaluation is therefore an alternative to wage-slashing as a device for cutting our prices at the expense of the mass of the people. (*Fact*, August 1949)

In 1967 it was the Chancellor of the Exchequer, Mr. Callaghan (now Home Secretary) who himself emphasised what a shocking thing devaluation would be; and then devalued.

The following are extracts from a speech by Mr. Callaghan in the House of Commons on 24 July 1967 (*Hansard* Cols 99 and 100.)

Let there be no dodging about this. Those who advocate devaluation are calling for a reduction in the wage levels and the real wage standards of every member of the working class of this country. They are doing this, and the economists know it... This is a nostrum among economists who are quite clear-sighted and cold-hearted about its purpose. Unfortunately it has been picked up by a number of people who clamour for devaluation because they believe that it is a way of avoiding other harsh measures. The logical purpose of devaluation is a reduction in the standard of life at home. If it does not mean that, it does not mean anything.

In 1949 after devaluation the Labour government insisted that wages should not go up because prices had gone up. In 1967 one of the "intentions" notified to the International Monetary Fund in connection with the loan reads: "There is no criterion for pay increases related to changes in the cost of living".

Capitalism is not changed by devaluation: it has not become better or worse for the workers. "Strong" currencies or "weak" currencies do not alter the position of the workers.

British capitalism has been running an adverse balance of payments, has devalued its currency, and has about 600,000 unemployed.

German capitalism has been running a favourable balance of payments for years, altered the exchange rate of its currency upwards in 1961, not downwards, and early in 1967 had 655,000 unemployed!

There are no ways of making capitalism operate in the interests of the workers.

H.

Socialist Pamphlets

The Case for Socialism	1/-
50th Anniversary Issue of the Socialist Standard	4d.
Art, Labour and Socialism	1/-
Questions of Today	1/-
Nationalisation or Socialism	6d.
Communist Manifesto and the last Hundred Years	1/-
Socialist Comment	6d.
The Problem of Racism	1/6
NEW PAMPHLET "RUSSIA 1917-1967"	1/-

Modern Fundamentalists

Human society in its development unfolds the secrets of the Universe but at no time has this been so accelerated as in the capitalist mode of production. New discoveries and inventions plus mankind's experience have a direct bearing on all ideas that are held in society.

We are in part of an age when religious ideas, having already undergone changes in the past, are once more moving to a new field. The wide adherence to old dogmas held by the masses has now weakened, particularly in the spheres of Protestantism. Ruling classes nowadays tend not to appeal to their workers in the name of God but rather rely on slick and earnest appeals that are spiced with economic theories and plans. Apathy and small congregations along with dated theology present the churches with an almighty headache and much heart searching. The clamour for reform and "modernism" in order to get organised religion back in the groove again comes from the clergy of every well known sect. It is in fact largely a "Palace Revolution". The South Bank rebels led by the Bishop of Woolwich startle the orthodox with their New Reformation. Rebellious Rabbis and matrimoniously minded Catholic Priests cut across the age long rules of their orders.

It is something of a jolt to find in the midst of so much unbelief and uncertainty the old biblical dogmas resisting, and often by using very modern techniques.

Two bodies both having their roots in the religious peasant-communist theories of the 16th century Anabaptists present themselves to us. The first, the Christadelphians, were founded in America by John Thomas in 1848. They rejected the Trinity along with the idea of a personal devil. Death must occur and a physical resurrection at the return of Christ is the divine plan for man. The new kingdom on earth will be ruled by Christ and the elect with the evils of our time removed. Those who still reject this paradise and who sin are punished by death, there being no hell. The Christadelphians base their ideas on a correct and literal reading of the Bible. Their numbers are small and are not growing. They are not so often met with and certainly lack the organising capabilities of the Jehovah's Witnesses.

This body has ideas so similar in form to the Christadelphians that the uninterested may be forgiven for not appreciating the differences. Again they have modern roots in America and were originally known as Russellites. They proclaim the return of Christ and the physical resurrection of the dead. A great battle or struggle (Armageddon) will result in the control of the Devil. For a thousand years mankind will live under the rule of Christ on earth under extremely good conditions with no poverty, illness or death. After this period the Devil and all those who refuse to fit in to this Paradise just die whilst the rest go on living on earth for ever unmolested. The Witnesses are zealous and argue closely around biblical interpretation. They boldly proclaim their faith at your front door and have an efficient literature sales technique. In fact membership hinges around the willingness to sell and witness the faith.

The leaders are rather like a self nominating Executive Committee and all interpretation of current events in the light of biblical prophecy rests with them. The Witnesses are found in most countries but have been viewed with suspicion by dictatorships and were executed en masse by the Nazis. They probably number several million and unlike the more orthodox Christians they are not worried by a remorseless fall out of congregation. Though there must be a ceiling on their growth rate some success in the newer types of industrial communities has caused flutterings in the hearts of the more orthodox Christians.

The third fundamentalist group that has of recent years secured a foot hold in Britain is the Mormons. They are probably the only hundred per cent all-American religion. Joseph Smith, the founder, claimed to have been shown the gold tablets of the Book of Mormon that were secreted in America. This theological work claims that America was at one time peopled by the Jews and the hand of God was much in evidence there in ancient times. The motive force behind this movement was tied to the opening up of the Golden West. As is to be expected America became the Mecca of every non-conformist and radical group, religious and secular, for here the virgin soil awaited the plough of the disciples of dissent like the Mormons.

Founding Salt Lake City after their great trek they established a community far more advanced in social graces and modern techniques than those surrounding them. Principles of welfare were embracing and well organised as a result of a tithe levy on members. From this place in Utah they have sent their preachers throughout the world.

The book of Mormon and the bible are the foundations of the faith; the former must be accepted without any qualification. They have a lay or supervisory priesthood with apostles and a President who control the church. The President is in office for life and the apostles elect the new one on his death.

These strong dogmatic creeds seemingly flourish in an environment of waning belief. They offer a strong sense of identity in a world of class and personal segregation. The struggle for jobs, position, homes and profits keeps mankind well splintered. A weekly religious gathering bolstered up by feeling that one is part of the elect of god helps to quieten the smouldering sense of isolation. Some workers can be expected under these general social conditions to seek a haven inside a mental wall of unsailable religious faith.

Knowledge of the natural world however destroys and makes inroads into these beliefs and the adherents are forced to spend fruitless hours trying to square the impossible. Workers should try to come to grips with the material and social causes of the problems that beset and worry them and not seek for answers by juggling with quotes and extracts from ancient and modern versions of the so called "Words of God".

Mankind has been pondering over these scripts for some thousands of years and very little, if any, good has it done them.

J. LAW

Report from Moscow

In recent months a mass of articles has appeared in the press dealing with Russia today. But most of these give very little concrete information on the subjects which are of crucial importance—the class structure of Russian society and the living conditions of working men and women in that country.

The working class in Russia, like workers throughout the world, sells its labour power for a wage (usually paid monthly there). The state-decreed minimum has recently been raised by ten roubles to 60 roubles a month. At the official exchange rate of £1=2.50 (before devaluation), this is equivalent to a monthly salary of £24. Such comparisons, however, are of limited value; what is necessary is to illustrate what this means in terms of real wages by giving the prices of goods on sale in the shops. The following list was compiled during the first half of November 1967, from commodities being sold in the stores in Leningrad and Moscow. We concentrated mainly on clothes because these are a basic essential (along with food and housing). At the same time it is fairly easy to assess the quality of articles of clothing, unlike much food which is wrapped or in packets.

Clothing

Man's suit (poor quality)	64.00 roubles
Man's suit (poor quality but better than above)	82.00r.
Men's overcoats (various styles and qualities)	75-124r.
Men's long-sleeved shirts (cotton)	4.50-9.00r.
Man's short-sleeved shirt (nylon)	12.50r.
Women's slips (nylon and various qualities)	10.00-17.00r.
Woman's headscarf (cheapest)	1.33r.
Women's knitted suits	27.00-31.60r.
Child's overcoat (4 year old)	22.85r.
Child's windcheater (nylon)	20.00r.
Children's frocks (for 2-3 years old various qualities)	5.77-12.52r.

Food

1 kilo (2.2 lb) apples or pears	1.00r.
1 kilo (1.1 lb) bread	0.15r.
Eggs (sold in tens)	0.90r.
1 kilo (2.2 lb) cheese	3.00r.
2-course meal at student's restaurant	0.40r.

Others

Bicycle (very poor quality)	54.50r.
Televisions	
c. 17" screen	234.00r.
c. 20" screen	401.00r.
Motor cars (vary according to size & comfort)	2500-5000r.

It is clear from the above that workers in Russia have to be just as adept as those elsewhere in the art of eking out their wages. But, however much they may skimp and scrape, there are many luxury commodities on sale in the shops

which they can never reasonably hope to buy. For example, just off Red Square in Moscow there is a store specialising in expensive shoes. Among the footwear displayed in its window were a pair of very elegant lady's suede ankle-boots, selling at fifty roubles. When it is remembered that this sum represents nearly a month's wages for the lowest paid, it is obvious that the Moscow working man stands about as much chance of buying these shoes as a worker in London does of purchasing a Savile Row suit.

The question arises—who are the people, then, in a country like Russia who can afford such prices? One who springs to mind is Nikita Khrushchev, the ousted first secretary of the Communist Party of the Soviet Union. Living in retirement, he has a five-roomed flat in Moscow as well as a country house on what used to be Prince Golytsin's estate. Standing in seven acres of grounds, this building has four bedrooms and two reception rooms, while the Khrushchevs are looked after by a staff of servants (two cooks, two chauffeurs, maid, gardener). As the *Sunday Times* put it: "Khrushchev has 550 roubles a month, and with virtually all his bills paid by the State he lives at a level that could only be matched in the West by someone with a comfortable private income."

It might be objected that we are relying here on Western newspapers which are inclined to distort the situation in Russia. But such reports on the easy life of the ruling class there and the other state-capitalist countries of eastern Europe are confirmed by information that can be gleaned from their own official sources. Thus the *Belgrade Evening News* (20 December, 1961) talked about individuals in Yugoslavia who have an annual income reaching 70 million dinars (about \$100,000 at the official exchange rate).²

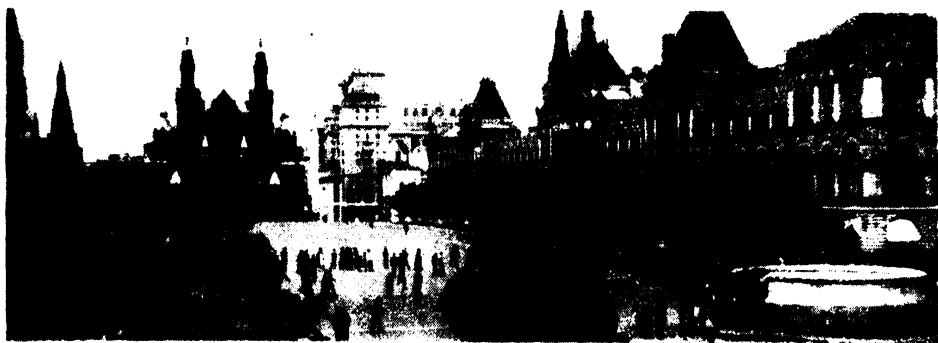
In contrast to Khrushchev's town and country residences, working class housing in general conforms to the twin standards of cheap and nasty. Despite the vast blocks of new flats which have been built since the war, some of the slums in Moscow can rival those of the East End of London for squalor and ugliness, while many of the tenements in Leningrad are without baths and date from the nineteenth century. The usual features of inadequate accommodation can be seen everywhere—children playing in gloomy backyards, washing hung from windows because there is nowhere else to dry it, buildings dilapidated and unpainted. No doubt, the occupants of these dwellings would be interested to learn that:

The Soviet state is very successfully solving its housing problem.

or that:

Though the current five-year plan period will not yet satisfy the housing needs of all the Soviet people, even the sceptics agree that the tiresome housing problem is nearing its solution.³

As in Britain, it is quite possible for families to buy their own apartments and, in fact, they are encouraged to do so: reports indicate that state credits for housing loans will be expanded by 200-300 per cent during the present plan. A normal flat costs from 2,000 to 6,000 roubles—depending on



size and facilities—and deposit/repayment arrangements are strangely reminiscent of those in England. An initial deposit of forty per cent of the price is required, while the remaining sixty per cent is covered by monthly instalments spread over ten or fifteen years. This makes it clear that although the better-paid Russian worker can often manage to buy his own flat, it is just as much an uphill struggle for him to do so as it is for his counterpart in the West.

In addition, something needs to be said about the very low rents which are common in Russia, and which are always stressed in the government's propaganda material.

... the monthly rent usually makes up less than four per cent of the wages earned by the head of the family and is actually a symbolic cost only.

The Soviet Union has the lowest rents in the world. (their emphasis).¹

In reply, it is worth repeating what Kuron and Modzelesw-ski had to say on this before they were expelled from the Communist party in neighbouring Poland.

As a rule, the worker has the advantage of living very inexpensively in a government-owned building. His lodging is therefore part free. But to live and produce he must stay somewhere. At any rate, his apartment rarely has any luxuries and in most cases not even the elementary comforts. It is part of his subsistence minimum, supplied to him in addition to his wages.

The workers receive medical care free and can buy medicines at a discount, but these are necessary in order to preserve his labour power: they are ingredients of his subsistence minimum. If free medical care were abolished and rents increased, the worker's wages would have to be raised in proportion to the increase in his necessary expenses. These non-returnable benefits and services are a necessary part of the worker's subsistence minimum, a wage supplement as necessary to the worker as the wages themselves, and therefore a constituent of production cost.²

Transport in the cities is another subsidised service. The standard price on the metro and buses is only 0.05 roubles, while trolley-buses or trams are even cheaper. This is necessary because only a few highly paid workers can afford motor cars and therefore most working men rely on public transport to get them back and forth from work. In the same way, most long-distance travelling in Russia is by rail and here there is a very rigid system of classes in operation. In contrast to capitalist Britain with its first- and second-class seats,

"socialist" Russia finds it necessary to have four divisions—ranging from wooden benches upwards. It is certainly a strange experience in "the proletarian countries" to see workers standing in the corridors of trains, outside half-empty first class compartments, because they cannot afford the price of a decent seat. Laurens van der Post recalls a similar situation when he was travelling in a Russian steamer on the Black Sea.

Pacing up and down the deck before dinner I saw old ladies with black shawls round their heads looking for a sheltered place for themselves and their bundles on the boards against the iron bulwarks. I saw them looking out of patient, peering eyes through the windows at the stewards in white, starched jackets laying the tables in the first-class dining-saloon, candle-lit, sparkling cut glass for white and red wine as well as water, ornate silver cutlery and peaked napkins spotless as Arctic snow by each place... Later I saw them lying on the hard deck, heads propped against their bundles, sleeping more peacefully than I was to sleep in my de-luxe cabin that night... I remembered Fitzroy Maclean's account of a Black Sea cruise—it might very well have been in this very ship—telling how, as the passengers were nearing Odessa, the loudspeakers suddenly called: "Olga Ivanova, we are calling Olga Ivanova. This is to inform Olga Ivanova that her car and maid are waiting on the quay for her."³

The Russian working class, then, is subject to all the stresses and indignities which workers everywhere experience under capitalism. Some of this is recognised by the Russian authorities and the conventional explanation is that the standard of living of the people is continually improving and that this trend will be maintained until eventually a system of free access to wealth will be instituted. Any ruling class defends its privileges with an ideology and the Russian bureaucracy is no exception. A cornerstone of its "theory" is that before the transition from "socialism" to "communism" (this is a Leninist perversion of Marxism, anyway) can be effected, a new type of communist man must emerge. This peculiar creature must be completely unselfish, must always put the interest of the community above his own personal welfare, must be continually prepared for hard work, and so on. In other words, this is the very antithesis of revolutionary thinking—with socialism reduced to utopian and mystical terms.

Such arguments do not stand up to the facts. A visit to the Exhibition of Economic Achievements in Moscow makes it obvious that the technical basis for a Socialist society exists now. If the agricultural and industrial machinery on display

there were applied to natural resources for the benefit of mankind as a whole, the principle of "to each according to his needs" would be an accomplished fact. What stands between the workers and such a society of abundance is the class monopoly of the means of production. In Russia this takes the form of state capitalism, with wealth concentrated in the hands of the state and the state controlled by a minority ruling class. Because of this, production today is not intended to satisfy the people's needs but instead is geared to defending and increasing the collective property of the rulers. Thus vast industrial complexes are given over to turning out murderous nuclear weapons of the type which were trundled through Red Square on 7 November. In the same way, factories are set up to build ingenious ticket machines which are then installed to prevent workers from freely using the underground railway and other services, although these are supposed to belong to the working class in the first place. In fact, the Russian government's own statistics prove that production is carried on primarily in order to expand the means of production, which represent the class property of the bureaucracy. Already post-war industrial output has grown to 7.3 times the 1939 figure,¹ while real wages today are less than six times what they were prior to 1917.² In this way the Soviet Union conforms to Marx's general law of capitalist accumulation.

It follows therefore that in proportion as capital accumulates, the lot of the labourer, be his payment high or low, must grow worse.

If the working-class has remained "poor", only "less poor" in proportion as it produces for the wealthy class "an intoxicating augmentation of wealth and power", then it has remained relatively just as poor. If the extremes of poverty have not lessened, they have increased, because the extremes of wealth have.³

A socialist revolution, carried through by the working class, will be necessary for the overthrow of state capitalism and the construction of Socialism. The material conditions for

this step have all been fulfilled in Russia, as in the rest of the capitalist world. What is needed now are working men and women equipped with socialist understanding. But the spread of Socialist ideas is bitterly opposed both by the state machinery and the Communist party in the Soviet Union. Apart from its efforts to emasculate Marxism, the CPSU does all it can to falsify historical facts, not least those relating to the Bolshevik revolution. A visitor to the Red Army museum in Moscow looks in vain for any reference to Trotsky, while in the Revolutionary Museum in Leningrad there is no mention, not just of Trotsky, but of such leaders as Bukharin, Zinoviev and Kamenev.

Despite all this an oppressed class cannot be kept in chains for ever simply by a repressive state or bureaucratic trickery. The collapse of the tsarist regime demonstrates this completely. It is the experience of workers under capitalism which in the end makes class-conscious socialists out of them and this applies as much to Russia as to any other capitalist country. When we remember the heroism which the young working class in Russia displayed in the bourgeois revolution of 1917, we can be sure that the Russian proletariat will not be missing from our ranks when the workers of the world decide to overthrow capitalism and build a world socialist community.

J.C.

¹ *Sunday Times*. 16 July, 1967.

² *Is Yugoslavia a Socialist Country?* Peking, 1964.

³ *Housing Construction*. Moscow, 1967.

⁴ *Ibid*.

⁵ *An Open Letter to the Party*. Jacek Kuron and Karol Modzelewski. London, 1967.

⁶ *Journey into Russia*. Laurens van der Post. London, 1964.

⁷ *Material and Moral Incentives under Socialism*. Mikhail Laptin. Moscow, 1966.

⁸ *How the Exploitation of Man by Man was Eliminated in the USSR*. Leon Onikov. Moscow, 1966.

⁹ *Capital*. Vol. 1, pp. 645, 652. Moscow, 1961.

NOT ANOTHER LABOUR PARTY: concluded from page 181

Withdrawal of the political levy is a mistake which can bring joy only to the Conservative Party and the millionaire Press. The suggestion that miners might have to consider forming a new trade union party is totally irresponsible.

Daly's love for Labour is only recent. Unlike McGarvey and Gormley he did not just talk about opposing Labour; he actually did so. After leaving the so-called Communist Party Daly and some supporters set up a "Fife Socialist League". In 1958 he defeated Labour (and Communist) candidates to become a county councillor and in the 1959 General Election he polled nearly 5,000 votes in West Fife against the sitting Labour man or, as he would have put it, the Labourite. One of the reasons he gave as to why miners should vote for him was that W. W. Hamilton, the

Labour MP, had refused to support a miners' wage demand! But times change and Daly is himself now a Labourite.

Of course trade unionists and workers generally have nothing to gain from supporting Labour. And of course they need to take political action to solve their problems. The question is: what sort of political action? To suggest setting up another party along the lines of Labour is stupid. For the Labour Party, by its very nature, was doomed to failure from the start. It has failed to protect the interests of the working class—and has in fact done just the opposite—not through any lack of sincerity but because any party that takes on the task of governing under capitalism must face the fact that capitalism is a class system and that it runs on profits. Governments must protect this system so that inevitably they are brought into conflict with the working class. This was the whole fal-

lacy of Labourism. It held that a party of workers could run capitalism differently from a party of businessmen or landowners. But, as experience has shown they cannot.

Labour MP's are not elected on a Socialist (many are too scared even to use the word in their vote-catching campaigns) but on a reform programme. Returned to power all they can do is, as Mr. Wilson never tires of telling us, to govern, to keep capitalism going. In the process even mild reform plans and links with workers' organisation go by the board.

What is needed is not another Labour Party but a Socialist party: a party that is quite opposed to capitalism: a party that takes its stand on the interests of workers everywhere; a party that struggles for Socialism and nothing less. Such a party already exists in the Socialist Party of Great Britain.

A.L.B.

FINANCE AND INDUSTRY



Partners in Progress

The fiftieth anniversary of the Bolshevik seizure of power in Russia was a boon to the *Morning Star*. Its special enlarged issue of 7 November had articles on the coup and on the changes that have taken place in Russia since. The advertising department had cause to be proud as a large part of the extra space was taken up with adverts from Russian and British industrial organisations. There was a full page effort by Courtaulds telling of their trade with Russia. But pride of place must go to a quarter-page taken by ICI headed "Partners in Progress". It stated:

ICI-Western Europe's largest chemical company-enjoys a thriving business relationship with the Soviet Union.

And went on to list some of its products exported to Russia and of plants being set up there under license from ICI. It ended on technical co-operation:

Just over a year ago this form of co-operation reached a new stage when a five-year agreement was signed by ICI and the State Committee of the Council of Ministers of the USSR for Science and Technology. This agreement—providing for technical co-operation and the exchange of information in certain fields—was the first of its kind to be concluded between the Soviet Union and a British company.

For ICI progress means a thriving business relationship and technical co-operation. Socialists know that scientific development and increased trade do not necessarily constitute progress. In the context of capitalism, in both the ICI and Russian state versions, science is used to increase productivity with a view to extracting more surplus value from the working class. It is only in Socialism where the means and techniques of production belong to and are under the democratic control of the whole of society that the results of scientific research will be used for the benefit of all.

We know that the so-called Communist Party and their unofficial organ, the *Morning Star*, are confused as to the nature of society in Russia. Now it seems their attitude to ICI has changed. This is what John Gollan had to say at their 29th Congress in November 1965:

Labour's Britain of the 1970's will still be the Britain of the ICI, the Prudential, Vickers, the Stock Exchange, Eton and

Harrow, the House of Lords and Buckingham Palace. We Communists refuse to accept this future (*Turn Left for Progress*).

There is no doubt about their attitude in that statement. They say they refuse to accept a future Britain of the ICI and so on. Yet in 1967 they accept an advert from their old enemy which points out its close ties with the Russian state. One useful aspect, however, is that the faithful followers of the Communist Party who will only accept information coming from the *Morning Star* have it straight from the horse's mouth: the Russian state and ICI have enough in common to be considered partners. We have one small suggestion. The caption should have read Co-operators in Capitalism.

Big Deal

The recent take-over battle in which the General Electric Company (GEC) gained control of Associated Electrical Industries (AEI) publicised the main features of capitalism which the journalistic trivia over personalities could not disguise. The first point to note is that the issue was not decided by the 150,000 or so people employed by the two companies even though it is they who carry out all the varied tasks involved in running both set-ups. Nor was the population of Britain consulted in spite of all the talk of how Britain's interest would be served by the deal. The AEI shareholders were the important people and each side addressed their arguments to them. It was for them to decide and the point at issue was profits.

The argument raged over which management would deliver the greater profit. GEC had its record of growth in profit during the past five years as a recommendation. While AEI, in view of the stagnation of profits in the same period, could only claim that recent reorganisation would bear fruit in increased profits in the next few years.

It was clear that improvements in profits were expected to come as a result of a ruthless cutting back in the work-

force. GEC's record has shown what can be done for their shareholders through more intensive working of their staff. Moves included shutting down 35 regional offices and reducing head office staff from 2,000 to 200. AEI had been going in for the same sort of thing. The *Financial Times* of 6 November reported:

Manpower has been reduced by nearly 9,000 and 12 major establishments closed with no reduction in manufacturing capacity... but these actions alone reduce annual costs by about £7m.

Since the take-over the process continues. Cuts have been announced in AEI head office staff and more may follow elsewhere. The point to note here is that the drive to economise is inherent in the system and does not just occur when there is a merger or take-over.

Another feature of modern capitalism that the take-over publicised was the amount of common interest the parties involved had. Large shareholders were held in both firms by major institutional investors such as the Church Commissioners, the Prudential, the Co-operative Insurance. Not only did AEI and GEC have shareholders in common but they also shared investments such as the 18 per cent each had in C.A. Parsons, the leading supplier of generating equipment to the CEBG. Their interests involved agreements with firms in such fields as domestic appliances, lighting, telephone equipment, radio and television, electronic components and nuclear power stations. The take-over demonstrated how that holy cow competition works nowadays. The pressures generated by free, unbridled competition lead to its opposite where marketing and licensing agreements are entered into to try and bring some order into the anarchy of producing for sale with a view to profit. But capitalism does pave the way for Socialism in that even it needs large-scale co-operation. Its great stumbling block is of course that it is based on private property so that production solely for use, the logical outcome of socialised production, cannot be achieved.

Another publicised factor, the size of the resulting unit, is also important but it must be emphasised that the whole exercise was not concerned with increasing size for its own sake. The advantage of large groups is in the economies in design, research and marketing which large-scale production allows. In fields where AEI and GEC were competitors, duplication of design and research are cut out. The same goes for overseas sales. It

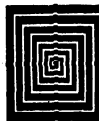
is estimated that GEC-AEI will have annual sales of approximately £450m. which will make them seventh in the world league for the electrical industry. Even then they will be small in comparison with their American rivals of the same name, General Electric, whose annual sales are in the region of £7,000m. So that, in world terms, the going will be tough. In fact this was one of the pressures that led to the takeover. It is a case of running faster in order to stay in the same place. This is why mere size or the GEC Board's record are no guarantee of future success in profit making. ICI, whose management used to be the idol of the supporters of capitalism, has stagnated. BMH, in spite of mergers and rationalisation, has still found the going tough. Quality of management and size

are only subsidiary factors to the main regulator—the condition of the market.

Mergers concern the owners or shareholders involved in that they hope to safeguard their investments through larger industrial units. The workers' role lies in producing the wealth from which the profit is made. Mergers take place due to the increasing competition within capitalism, but they do not guarantee any better profits as in general they are only keeping up with industry as a whole. For workers the lesson of mergers is an exercise in how the capitalist class protect their interest. They should take a hint from their masters and organise the biggest take-over of all—the take-over of the world's means of production for the benefit of everyone.

JEP

Background to Patents



Some workers look upon patents as a chance to make their fortunes, rather like coming up on the pools, with the chances just as remote. It has the added attraction of appearing to be a reward given for the contribution of some useful invention to society. They cite as example a zip fastener, and say "simple isn't it? The bloke who invented that must have made a fortune. Wish I could hit on an idea like that." Its all part of a dream world where production and technical development is an individual affair and success comes as a result of meritorious effort.

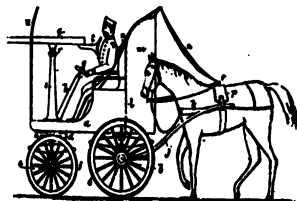
The world of capitalism in which patents, copyright and trade marks are needed does not operate like that. It is a system of society with a fundamental contradiction in that it is based on the private ownership of highly socialised means of production. Patents are part of the legal superstructure of that society, turning devices and processes developed by social effort into private property. With ownership goes the right to a rake-off, when the patented item is produced commercially. In modern industry large laboratories, employing scientists and technicians and equipped with expensive apparatus, are needed to do research and development work. The main part of this work involves applying what has already been invented and it is not very often something that can be patented is discovered. It must be remembered that the

owner of patent is the organisation employing the scientist. They provide the equipment, materials and even the problem to be solved. It is easy enough for the employer to arrange things so that the job for which a patent is applied has been worked on by so many people that not one of them could claim ownership. In fact patents are registered in the name of the firms or perhaps its technical or research director. On the odd occasion that an aggrieved technical worker feeling cheated out of a patent sues his employer all he can expect is the loss of his savings in legal expenses for the dubious honour of having had a go.

Like anything else under capitalism the patent system has constantly to be revised. This is largely due to the fetter it imposes on technical development. In their quest for profit capitalist firms take up anything they think will help this and in doing so find that the know-how they need has to be paid for as it is private property. Hence there is either duplication of effort through trying to find substitutes or royalties are paid. In earlier times a patentee determined to have his way could cause a hold-up in technical development. One instance in Britain was the long dispute over the rights to the process of vulcanising rubber in the middle of the 19th century. At that time rubber had immense possibilities but suffered from one great drawback, its

instability. On a warm day it melted; on a cold day it cracked; it dissolved in contact with oil and even perspiration; and lost its elastic properties after only a little use. Efforts were made in Britain, America and on the Continent to overcome this. The solution was founded in America by a process known as vulcanisation. The discoverer, Goodyear, being penniless was unable to patent the process for a few years and by that time patents had been taken out in Britain by a manufacturer called Hancock who had obtained samples of the vulcanised rubber, analysed them, reproduced the process after a fashion and patented it. His patented process was not as good as Goodyear's but control of the patent enabled him to keep the Goodyear process out of Britain for several years. The result was the stagnation of the rubber industry in Britain so that once the Americans overcame this obstacle they had easy picking in the British market.

Patent laws have been amended many times since and the rights of patentees restricted. Yet expensive litigation still takes place. The Rolls Royce versus Râteau case is a recent example. It lasted 49 days and expenses were estimated at more than £400,000. The importance of the case can be judged by the litigants. Rolls Royce, Europe's largest aero-engine producer, against Râteau, a French firm which forms part of a semi-nationalised company in which America's Pratt and Whitney, the worlds largest aero-engine



N° 9286



A.D. 1904

Date of Application, 28th Apr., 1904

Complete Specification Left, 28th Dec., 1905—Accepted, 28th Feb., 1905

PROVISIONAL SPECIFICATION

"Improvements in and relating to Non-motorised and other Vehicles
Propelled by Human or other Brought Animals."

I, **JOHN HENRI HARRISON**, of 20, South Lane, Cannon Street, in the City of London, Engineer, do hereby declare the nature of this invention to be as follows:

My invention relates to vehicles which are propelled by human or other brought animals, and is designed mainly with a view to securing certain advantages not obtainable with the usual mode of attaching the animal to the vehicle.

According to my invention the horse (or other brought animal) is harnessed not as usual to the front but to the rear of the vehicle, the traces or leigs, and the shafts or equivalent parts attached to the rear axle (in the case of a four-wheeled vehicle) or to the axle. The vehicle is guided by means of the front wheels which are made to revolve in any usual manner under the control of a steering handle or in the case of an ordinary motor car, the animal being thus allowed to follow instead of determining the direction in which the vehicle travels.

The kind of the horse may be based on an so elaborate design, and provision may also be made for preventing the animal from backing. The design of the horse harnessing carried on behind as in my case is intended to be a maximum

producer, has a share. Had Ratcau won back payment of royalties would have been due not only from manufacturers but also from the British government which had been involved in aero-engine research. A minimum estimate of the royalties due at one per cent was £3 million. Which all shows what production is about. The division of profit was the point at issue and the technicalities of the machine were the object which had been produced to get the profit. The item under dispute could have been anything from razor-blades to a process for the production of synthetic fibres for it is the question of who has the right to the income from the patent that gives rise to the litigation not that of putting the historical record right as to who first thought up the idea. All this is a far cry from the dream world of the clever mechanic and his invention.

Another aspect of the patent system which causes headaches is the process of establishing the patent. In Britain this is looked after by a government agency whose task it is to establish the validity of any claim. This involves checking whether the invention has or has not been discovered before. With the growing technical complexity of industry the number of applications for patents grows and so also the difficulties facing the Patent Office. The job of establishing the novelty of a claim can only be done by skilled scientists and technicians and the task of searching through records is slow and laborious. With the international nature of capitalism the same application will be made in several countries and there is an international body with offices in Berne. All this is part of the waste of capitalism as not only does the industrial research and development have

to be done but also additional resources have to be devoted to establishing ownership. Which would be unnecessary in a rational society.

Patents are part of capitalism's fetter on production. Although most cases are lost and the patentee is unable to prove infringement due to the expense involved. Only the largest firms are in a position to go to law. With patents certain products can be monopolised and prices kept well above what they would have been had the know-how been freely available. The same happens internationally so that countries most in need of industrial know-how must pay the advanced capitalist powers for it. Generally their need for aid helps make them respect patents. Of course this does not always happen. Russia and Japan gained a large part of their industrial know-how through copying, and ignoring such niceties as paying up. Now that they have become established powers in the world of capitalism and have industrial know-how of their own to sell they issue licenses and accept payment of royalties in the time-honoured fashion.

Socialists have no proposals for reforming the patent laws either to give the small man a chance or to prevent monopolies and price-rigging or to give the emerging capitalists of Africa and Asia industrial know-how on the cheap. In fact all these demands are but the reflection of sectional interests within the capitalist class. Rather we go for another proposal: Socialism where technical development will be devoted solely to satisfying man's needs and not for the profit of a minority. In that situation patents, copyrights, trade marks and the like will no longer be needed.

JEF

China. In yet a later decade the labels on the collecting boxes were changed to the homeless children of Korea. Yet again the labels change to show that the Vietnam children should be the recipients of our help. No Cooks Tour of the world need remind us of those in need in the many parts of the globe. This function is well served by the rattle of little tin boxes. Christian Aid reminds us that millions are hungry. The National Food Survey Committee tells us that 500,000 children live in poverty in England, living on inferior diets. There are fund raising campaigns for diseases of the heart, polio, cerebral palsy, cancer and many others. Money raising is big business, quite often competing one against the other. The Aberfan fund did much to deplete the tin boxes of other charities.

The Jewish Board of Guardians was founded 107 years ago. The ambitions which animated the J.B.G. were similar to those of other reformist bodies, namely that inherent in their activity for voluntary work in such fields as housing, health and general welfare for immigrant Jews was the concept "that the amelioration of physical conditions and the relief of poverty was the key to the solution of all social problems."

V. D. Lipman, in his book *Social History of the Jews in England 1850-1950* tells us that the various Jewish charities, including the J.B.G., were originally supported by large donations from wealthy and generous individuals such as the Rothschilds; he however does not question the origin of the accumulation of Rothschild's wealth, neither does he question the fact of riches alongside poverty or physical degradation alongside privilege and comfort. These are accepted as part of some vast eternal plan, but somehow or other to be alleviated.

Mr. Lipman suggests that today's welfare state has replaced many of the functions previously performed by charities. Even if this were true, which it is not, he completely fails to understand that the "welfare" state is in itself a reflection of capitalism's inability to provide for those in want. *The Observer* agony column of 29 October last carried advertisements from 17 charities advertising the sale of Christmas cards on behalf of bodies concerned with cancer research, the deaf and the blind, spastics, diabetics, rheumatism and arthritis. The plight of sufferers from these diseases is pitiful, particularly when it is reported that economies have to be instituted in the Royal Marsden Hos-

What Price Charity

That the face of society is becoming increasingly more scarred by the demands being made from charity organisations is now only too painfully clear. That the social problems which these organisations were formed to alleviate are becoming more acute also is only too clear.

That there is no new thinking on the question of ends and means only shows the extent to which emotionalism rather than rationalism governs the actions of both those who beseech our support and those who are morally blackmailed into

giving their support to charity organisations.

We are bombarded from all directions to support this appeal, or that cause; accusing fingers thrust their way into our faces reminding us that one day age too will menacingly envelope us. That illness, or loneliness, or worse incapacity might strike us down. We are informed that there are homeless children, and homeless aged. Not so very long ago we were seduced into filling tin boxes with metal coins to help the homeless children in

pital for Leukaemia (a killer disease). Because of shortages of funds wards will have to close down (*Times* 22.4.67).

In the same year that the Board of Guardians was founded in 1859, Karl Marx too had some observations to make about social problems. He wrote "that the working class may improve their material conditions in Capitalist society, but they do so at a cost of their social conditions". In the light of the many demands now being made by charity organisations throughout the world, for so many causes, it would seem that Marx was right. One does not have to look very long upon the social scene to see that the efficacy of charity organisations is being frustrated by the very conditions that have given rise to the problems they have set out to alleviate. That this so is substantiated by the charity organisations themselves.

The *Jewish Chronicle* of October 27 carries an article by a Mr. Mark Fineman, who gives a quotation from the Jewish Welfare Board's annual report for 1922: "We recognise that bad times, the crushing burden of taxation, the insistence of appeals for our suffering co-religionists abroad, and for hospitals and for other general charities at home, all make it more difficult to support the Board in the generous way of our fore-runners". Mr. Fineman then concludes with the statement "These words are as true today". This after 100 years!

Oxfam reminds us that 1967 marked their 25th anniversary. Their current appeal does show more realism by asking us to help put them out of business, but it then goes on to say "how many of the hungry will live to see their (Oxfam's) 26th anniversary?"

That it is utopian to expect charity organisations to make any inroads into the problems they collect funds for is evident by the title of one particular organisation — World Hunger Week — in other words the title is a reflection of the proportion of the problem. They are no longer local in character or isolated "unfortunate incidents in the life of a nation". On the contrary, they are increasing in dimension and more acute in their effects. For example, the *Jewish Chronicle* quotes Browning "Grow old along with me, the best is yet to be" then goes on to say that "for many Jewish citizens old age threatens, fear, illness and isolation at the end." And then proceeds to tell us that the support Israel fund did much to deplete the funds for the aged and for the infirm! And in another

edition God had performed a miracle of divine intervention in order that an Israeli victory was assured, but in his divine inscrutable wisdom failed to intervene on behalf of aged Jews. That must be left to charity!

Neither the supporters nor the organisers are concerned, so it would seem, to establish the cause of poverty in the modern world. They fail to see that the one complements the other. They fail to recognise that sufferers from poverty and social inadequacy, or maladjusted human beings are in the main wage earners, and it is the fact that they are wage earners first, living in a highly competitive industrial society which renders them immediately vulnerable to all the slings and arrows of a rapacious system.

Marx and Engels

The Communist Manifesto

by Marx and Engels (with an introduction by A. J. P. Taylor) *Pelican*, 3s. 6d.

A. J. P. Taylor, the television "intellectual", has written an "introduction" to this edition which is longer than the manifesto itself. Since he is not a Marxist one would expect Taylor to misunderstand a good deal of what Marx and Engels wrote. But a surprising feature of this essay is the number of purely factual errors which he has managed to cram into it. A couple of examples: he claims that Marx called his system "dialectical materialism" and that Proudhon coined the phrase "Property is theft". In fact, the first of these expressions is derived from George Plekhanov (who perhaps got it from Joseph Dietzgen) and was never used by Marx, while Proudhon's famous answer to the question "What is property?" was lifted bodily from Brissot's writings.

But quite apart from such ignorant blunders, Taylor does his level best to misrepresent Marx. He tries to show that Marx was little more than a simple-minded utopian:

The social conflicts which were the basis of his system would finally produce a synthesis where no conflicts were left, and history would come to an end. This synthesis was socialism, an ideal society or Utopia where everyone would be

One other aspect of charity worth dwelling upon which organisers themselves might consider is the degradation of being the recipient of charity. Oscar Wilde observed in his essay *The Soul of Man under Socialism* that "it is safer to beg than to take, but it is nobler to take than to beg."

Socialism being the conversion of private property into common property replacing competition with co-operation will restore society from one of wanton waste into one of plenty, where human beings will take from society according to their need, freed from the necessity of having to live for others but where man can finally live for himself but in co-operation with others.

H. HAMME



happy without conflict for ever more. (our emphasis)

Anyone who has even glanced at the preface to the *Critique of Political Economy* will remember that its author writes exactly the opposite—that Socialism will be the *beginning* of human history, that capitalism with its class antagonisms represents "the closing chapter of the prehistoric stage of human society." Socialists maintain that when we have freed ourselves from capitalism's strait-jacket mankind will be able to take a leap forward, completely dwarfing the results of all previous social revolutions. Certainly no Socialist, least of all Marx, would suggest that the new society will be similar to the stagnant perfection of the Christians' paradise.

Another of Taylor's claims is that "Marx in his analysis never seems to acknowledge the middlemen and administrators who make capitalism work. The more capitalism flourishes, the more there are of them." Not only did Marx recognise these 'middlemen' and managers as being essential to capitalist industry, he also emphasised that they were members of the working class.

Just as at first the capitalist is relieved from actual labour . . . so now, he hands over the work of direct and constant supervision of the individual workmen, and groups of workmen, to a spe-

cial kind of wage-labourer. An industrial army of workmen, under the command of a capitalist, requires, like a real army, officers (managers), and sergeants (foremen, overlookers), who, while the work is being done, command in the name of the capitalist.

(*Capital*, Vol. I. Chap. XIII our emphasis)

In the best tradition of Marx's critics, Taylor is also fond of making sweeping, and often staggering, judgments — but offering no evidence to back them up. Thus the Labour Theory of Value is dismissed as "no longer academically respectable" (Marx would probably be relieved at this), while "the fundamental cause of the 1848 revolutions was the increase in population which had become general since the beginning of the century."

It is interesting to note that in contrast to some comments ridiculing Engels' early work, *The Condition of the Working Class in England* in 1844, Taylor concedes that "it is still a historical authority of the first importance, even though apologists for capitalism have criticised its exaggerations." Another striking point is that, towards the end of his essay, Taylor makes a reference to state capitalism in Russia. But this is hardly enough to compensate for the pageloads of inanities elsewhere.

Despite its glossy cover, then, this book is a poor bargain at 3/6. A better buy would be the centenary edition of

the Manifesto, brought out by our party, which is still selling at a shilling.

J.C.

Engels: selected writings

ed. by W. O. Henderson, *Pelican*. 7s. 6d.

This Pelican book is a useful collection of some of Engels' writings. It includes his best such as **Socialism, Utopian and Scientific**; his 1895 Introduction to Marx's **Class Struggles in France** (unexpurgated); his articles in 1881 for the **Labour Standard** and his letter to Bloch on the materialist conception of history. We are also spared his none too successful attempts to reconcile the categories of Hegelian dialectics with the findings of modern science.

Some of Henderson's comments are uncalled for, especially when he claims that Marx and Engels held that in Socialist society there would be "an all powerful State". And this only a few pages after he quotes what Engels says will happen after the working class have won political power and declared the means of production common property:

State interference in social relations becomes, in one domain after another, superfluous, and then dies out of itself; the government of persons is replaced by the administration of things, and by the conduct of processes of production.

A.J.R.

accept common ownership and working for the needs and betterment of all human life (indeed, not working for nothing) as the normal way of life. He would look back unbelievably at a system of society, whereby the propertyless majority were exploited and used for their whole lifetime, subjected to wars, hunger and poverty, for the benefit of the propertied few, and wonder how this system lasted for so long.

J. CARDIN, *Wallesey, Cheshire*.

Clement Attlee

I read with interest in the November edition of the **SOCIALIST STANDARD**, your "tribute" to the late Clement Attlee, and though I am in partial agreement with you, I feel your assessment was rather harsh.

To be true the Labour Party isn't and hasn't been Socialist—point accepted; but to be pragmatic (not slur on the prime minister intended) the most likely form of socialism did appear to come from the Labour Party, and this may still be true.

Attlee, "a cunning and bitter enemy of the working class"? Come now. It is an unfortunate fact that under a bourgeois capitalist representative democracy, such as Britain, all reformist parties accept the parliamentary democratic system. Why even the SPGB have stood for Westminster. Because of the innate conservatism of the populace and like the SPGB are unwilling or unable to use physical force to overthrow the government. These reformist parties, typified under Attlee's leadership perhaps, set about reforming the capitalist system. True there was no basic change social or otherwise during the 1945-51 government. But isn't half a loaf better than none? Soviet communism better than Tzarism, or the Welfare State better than child labour? Or at least it's no worse.

You know, whatever the reasons and motives and whatever the ownership, Britain and the rest of the world isn't as black as you paint it. Accepting the capitalist system for a few more years at least the reformist parties are the best hope to educate the workers if socialism is to be achieved. I know many in the Labour Party and Labour Young Socialists who are sympathetic to the SPGB and it is these people who can carry the word of Socialism.

I hope that Hobbes and Machiavelli were wrong when they assumed all men were naturally evil and had a propensity to do wrong. But until they are proved to be wrong we are stuck with the political leaders, under whatever guise they go.

DAVID MELVIN, *Surbiton, Surrey*.

Reply

Mr. Melvin argues that "the most likely form of socialism did appear to come from the Labour party, and this may still be true"—even though "the Labour Party isn't

LETTERS

Human Nature and Socialism

Socialists are often confronted with the statement that human nature would not allow Socialism to be established, that men would not "work for nothing", that man is selfish, the whole idea of Socialism though admittedly a desirable system of society would not work for it is contrary to the nature of man.

What the critic really means is human behaviour as conditioned by capitalism and not as he claims human nature. Human nature in fact is a basic set of desires e.g. to eat when hungry, to drink when thirsty, to sleep when tired etc. and these basic desires of man will not change under any system. On the other hand, human behaviour does change and varies from society to society. Rather it is Capitalism that is opposed to human nature, for under this system man is often deprived of basic desires of human nature, i.e. if he is hungry and has no money, he cannot eat.

A man born into a primitive cannibalistic

way of life, would be conditioned from birth to accept the eating of his fellow man as the normal thing to do, until educated to the contrary. Likewise a man born into the capitalist system of society is conditioned from birth to accept this system as normal, until he is educated to the fact that there is an alternative to the capitalist system of society. The alternative being a system of common ownership and democratic control of the means and instruments for producing and distributing wealth, by and in the interests of the whole community. A classless society that would end for ever exploitation, war, and poverty. A system of society whereby man would have a free, satisfying, full life. Secure for all time from the ravages of the capitalist system, with an unlimited horizon ahead to work for the betterment of all mankind.

When Socialism does eventually come to be established, a man born into this society, the final emancipation of all men, would

and hasn't been Socialist". We do not accept this. The Socialist Party of Gt. Britain has always maintained that Socialism will only be achieved by a majority of the working class taking conscious, revolutionary action to capture political power and institute common ownership and democratic control of the means of production. Before this step can be taken workers must be equipped with an understanding of what Socialism entails.

In our work of helping to spread socialist ideas we have had to combat reformism—the concept that workers should be mainly concerned with merely improving their conditions of life and work under capitalism. But at no time have we taken up the illogical position of arguing that all reforms are useless. When we criticised Clement Attlee (SOCIALIST STANDARD, November 1967) we did not do so because of the reforms which were pushed through Parliament by the governments he led. We would say that some of these (eg. the National Health Service Act, 1946) left the working class marginally better off. Others very definitely worsened the lot of the workers (e.g. post-war rearmament and development of nuclear weapons). But the overall effect of the Labour party's programme was to maintain the workers in their previous situation — propertyless wage labourers under capitalism.

We attacked Attlee for the confusion and, worse, disillusionment which he personally did so much to promote among working men and women. He claimed to be a socialist and promised that a Labour government would be instrumental in building a socialist society in Britain. As we showed, to give his policies credibility he

adopted a revolutionary pose on a number of issues. After the second world war millions of workers were horrified with the slaughter and destruction of capitalism and, believing that the Labour Party stood for something different, voted Attlee into power on a great wave of enthusiasm. It took just six years for the revulsion to set in and, when this happened, many workers were convinced that they had witnessed the failure of Socialism. This, we think, earned Attlee his epitaph—"a cunning and bitter enemy of the working class".

Mr. Melvin claims that there are individuals in the Labour Party and its youth section who are sympathetic to the Socialist Party. This is true enough and, of course, many of the present members of the Socialist Party started their political careers in the capitalist parties. The reason why each one of us left to join the revolutionary party was that we realised it was impossible to argue convincingly for Socialism to workers like ourselves from within the ranks of an anti-working class organisation.

Capitalism has got nothing to do with men being "naturally evil" or displaying "a propensity to do wrong". Nor is it necessary to paint Britain and the rest of the world artificially black. In fact, at times, the problems which capitalism confronts us with defy any attempt at exaggeration. Capitalism exists today because of a class monopoly of the means of production. This monopoly can only be broken by the combined efforts of the working class and, for this task, the workers need their own political organisation. In Britain this is the Socialist Party of Gt. Britain.

EDITORIAL COMMITTEE

1968 Resolution

One of the many ways in which we can help to propagate the case for Socialism is to increase the circulation of our literature, the Socialist Standard in particular. Why not resolve for 1968 onwards to be a regular subscriber—cost only 8/6 per annum (post free) Please complete the form and send your cash. An added resolve would be to also be sure of the Western Socialist—4/6 per annum for 6 Bi-monthly issues.

Subscription Form for SOCIALIST STANDARD

8/6 for a year or 4/6 for 6 months

To SPGB, 52 Clapham High Street,
London, SW4.

I enclose remittance for 1 year/6 months

Name

Address

Not another Labour Party

Some trade unionists, fed up with Labour's increasingly obvious anti-working class stand, have suggested that the unions should once again set up their own party. For, of course, this was how the Labour Party began. At the turn of the century union leaders, alarmed at the anti-union bias of the Courts, took up the suggestion of men like Keir Hardie for a party, independent of both the Liberals and the Tories, to represent Labour. It was not until 1918 that individuals could join the Labour Party. Before then the Party was little more than a trade union parliamentary pressure group (generally backing the Liberal government).

It has always been Labour's claim to be the political arm of the Trade Union

Movement. This claim is wearing a bit thin now. But many unionists still accept that the unions need some political arm. If the Labour Party no longer represents them, why not set up another party?

It has always been Labour's claim to be the political arm of the Trade Union Movement. This claim is wearing a bit thin now. But many unionists still accept that the unions need some political arm. If the Labour Party no longer represents them, why not set up another party? ...

In May 1966 Danny McGarvey, the boilermakers' leader, said that the unions might have to put up their own men against some official Labour candidates. Last November Joe Gormley, the Lancashire miners' leader, suggested that, in view of the Labour government's poli-

cies, the miners and others might have to consider forming a new party — "a trade union party". Of course Gormley, a member of the Labour Party's National Executive Committee, did not really mean this. Only a few days later he was elected chairman of the NEC's organisation sub-committee (which deals with discipline). All the same he did start off some discussion. A few miners' lodges did break with Labour. Pottery Workers' Union secretary Alfred Dulsón, whose union has already stopped financing Labour, said:

I am sure this is the way trade unionists have got to go. The Labour Party no longer represents the interests of trade unions (*Financial Times*, 13 November 1967).

But the Scottish miners' leader, Lawrence Daly, wrote in the *Morning Star* of 17 November:

Visitors are cordially invited to every Meeting

SPGB Branches

BIRMINGHAM Thursdays 7.30 pm, "Plough & Harrow", Jamaica Row, (Discussions 2nd and 4th Thursdays in month). Correspondence: H. J. Grew, Flat 1, 37 Woodfield Road, Kings Heath, Birmingham 14.

CAMDEN (Bloomsbury). 1st & 3rd Thursdays 6-8 pm, Jan. 4 & 18, Conway Hall, Red Lion Square, WC1. Correspondence: SPGB at above address.

DARTFORD 1st and 3rd Fridays in month 8 pm, Jan. 5 at 7 Cyril Road, Bexleyheath and Jan. 19 at 32 Ickleton Road, Muttonhall, SE29. Correspondence: W. G. Catt at above latter address.

GLASGOW Every Monday 8 pm, 163a Berkeley Street. Correspondence: A. Donnelly, 29 Southden Road, Glasgow, W.5.

GREENFORD & DISTRICT Fridays 8 pm, Greenford Hall, Greenford Broadway. Correspondence: R. Cain, 35 Waltham Road, Soltihall, Middlesex. Tel. 01-574 8584.

HACKNEY 2nd & 4th Wednesdays in month 8 pm, Hackney Trades Hall, Vallette St. (off Marc St.) E9. Correspondence: S. Beck, 28 Petherton Road, Canonbury, N5.

HARINGEY Fridays 8 pm (Discussion after business), Wood Green Civic Centre, N22. 12 mins. Wood Green Tube. Correspondence: Secretary, 3 Drapers Road, Enfield.

LEWISHAM Mondays 8 pm, Co-op Hall (Room 1), Davenport Road, Rushey Green, Catford, SE6. Correspondence: SPGB, Co-op Hall, Davenport Road, SE6.

MID HERTS Regular meetings every Monday 8 pm in the Hatfield, Stevenage and Welwyn Garden City areas. Correspondence: H. Mattinly, 27 Woodstock Road, Broomsbury, Herts.

NEWHAM (West Ham) 2nd and 4th Thursdays (Jan. 11 & 25) in month, 8 pm, Salisbury Road Schools, Manor Park, E12 (Discussions from 9 pm). Correspondence: D. Deutz, 117 Petit's Lane, Romford, Essex.

SOUTHBEND 2nd and 4th Thursdays (Jan. 11 & 25), 19 Kinewood Chase, Lechlou-Sea, Essex. Correspondence: H. G. Cottis at above address.

SOUTH WEST LONDON Mondays 8.30 pm, 52 Clapham High Street, SW4. Correspondence: Secretary at this address.

SWANSEA Alternate Mondays (Jan. 1 15, 29), 8 pm, Old Red Cow, High Street, Swansea. Correspondence: to Frances Ann-bridge, Marne, Brynnywood, Llanyfelach, Swansea.

WEST LONDON Fridays 8 pm, Westcott Lodge, Lower Mall, Hammersmith (facing river few minutes from Broadway). Correspondence: E. Warnecke, 158 Whitton Avenue East, Greenford, Middx.

WESTMINSTER (Paddington and Marylebone) Wednesdays 8.30 pm, Royal Oak, York Street, W1 (near Marylebone Rd.). Correspondence: SPGB, 76 Ludbrook Grove, W11.

WOOLWICH 2nd and 4th Fridays (Jan. 12 and 26) in month, 7.30 pm, Town Social Club, Mason's Hill, SE18. (Discussions at 8 pm.) Correspondence: H. C. Ramsay, 9 Mifre Gardens, Eltham, SE9.

SPGB Groups

BRIGHTON 3rd Friday in month, 18 Nicholas Road. Enquiries: J. Holford, 46 Hatfield Avenue, Hollingbury, Brighton 6.

CAMDEN (Hampstead). Enquiries: Secretary, 40 Lisburne Road, NW3. Tel. (01) 485 3182.

EDGWARE Enquiries: Anne Waite, 61 Fairfield Crescent, Tel: EDG 3556.

MANCHESTER Enquiries: L. Hopkins, 65 For Lane, Didsbury, Manchester 20. Tel. Didsbury 7641. Meets every Thursday at 8 pm. "Watson & Horses", Bridge Street, Deansgate, Manchester.

SUNDERLAND 1st Sunday in month 8 pm. Wearside Trades Council Social Club, 8 Tavistock Place.

For information

BRENT C. May, 1 Hanover Road, NW10. Tel. 01-459 3437.

BRISTOL. Enquiries: J. Flowers, 6 Backfields, Bristol 2. Tel. 46803.

BROMLEY For further information contact I. Robertson. Phone Farnborough (Ken) 51719.

COVENTRY Meetings first Tuesday in month 8 pm, 16 The Triangle, Friskham Way, Allesley Park. Enquiries: Tel. 73864.

EDINBURGH Enquiries: Ian Penman, 5 Meadow Place Road, Edinburgh 12, Tel. COR 3451.

HOUNSLOW Enquiries: J. Thurston, 15 Shirley Drive. Tel: TW1 2357.

HULL. Enquiries: D. R. Steele, Southlands, Thwaite Street, Cottingham, E. Yorks.

KIDDERMINSTER Enquiries: H. Whitaker, 14 Elm Road.

KINGS LYNN L. Petts, 5 Sydney Terrace, Saddlelow Road, Kings Lynn, Norfolk.

KINGSTON Enquiries: 80 Farm Road, Esher.

MERTON Enquiries: T. Lord, 288 Church Road, Mitcham.

NORWICH Enquiries: B. Blazeby, 68 Orchard Close, Heartsease Lane, Norwich, Norfolk.

NOTTINGHAM Enquiries: R. Powe, 13 Westerham Close, Bilborough.

OLDHAM Wednesdays 7.30 pm, 35 Manchester Street. Enquiries: R. Lees at above address. Tel. MA1 5165.

OXFORD Enquiries: A. Robertson, 52 Henry St., Oxford. Tel. 47302.

ROCHESTER All those interested in a discussion group write to L. Cox, D13 Hoo Marina, Rochester, Kent.

SOUTHAMPTON All those interested in forming a discussion group in the Southampton area contact C. B. Chislett, 35 Beech Crescent, Nettley View Estate, Hythe.

TEESIDE Enquiries: R. Kennedy, 19 Thompson Grove, West Hartlepool.

WEST LOTHIAN J. Oldham, 84 Deansfield Road, Bo'ness.

WESTMINSTER L. Cox, 13 Shelley House, Churchill Gdns., SW1. Tel. 01-834 0427.

WSPI Branches

BELFAST Tuesdays 8 pm, 5 Granville Buildings, 53 High Street, Belfast 1.

CENTRAL Details from Secretary, 147 Gilmahirk Road, Belfast 5.

DUBLIN Enquiries: Secretary, 5 Seville Terrace, North Strand, Dublin 1.

COMPANION PARTIES

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Meetings

LONDON OUTDOOR MEETINGS

Mondays: Lincoln's Inn Fields 1-2 pm

Thursday: Tower Hill 1-2 pm

Sundays: Hyde Park 3 pm

CAMDEN GROUP

The Enterprise, Chalk Farm Road,
(opposite The Round House and
Chalk Farm Tube Station—
Buses 24, 31, 45, 68, 187, 239)

Monday January 15th 8 pm

Our Thoughts on Chairman Mao!

Monday January 29th 8 pm

Unemployment and the Labour Party

WEST LONDON

Westcott Lodge, The Mall, Hammersmith
Fridays 8 pm

HARINGEY

Civic Centre, Wood Green
Fridays 8 pm

January 5th

Value and Price

Speaker: E. Hardy.

January 19

History of the Press

Speaker: A. Potts.

February 2

German Social Democracy

Speaker: D. Sawyer.

HACKNEY

Trades Hall, Valette Street, E8
Wednesday 24th January 1968, 8.30 pm

The New Left

Speaker: J. Carter.

HULL

Weekly discussion group meetings on
Sundays at 8 pm at the Blue Bell,
Lowgate, Hull.

Recommencing Jan. 14.

WESTMINSTER

Royal Oak, York Street, W1
(near Marylebone Station)

Wednesdays 9 pm

Lively lecture series recommencing
January 10th. Is your name on our mailing
list? Apply: Secretary, SPGB, 76 Ladbroke
Grove, W11.

January 10th

Marx's Humanism

Speaker: P. Bryant (Australia)

January 31st

**The Socialist Standard—
its Future Role.**

February 7th

Anarchism

Speakers from Kilburn Anarchist group

Central London Indoor Meetings

The 1967-8 Winter series of meetings and
lectures is being held at 2 Soho Square W1
(near Tottenham Court Road Tube Station)
each Sunday evening until March 1968
at 7.00 prompt. For some years now these
Sunday evening meetings have been a regular
feature of Socialist Party activity.

January 7th

**BOB DYLAN: PROPHET OF
CAPITALISM'S DOOM**

January 14th

WORLD WITHOUT MONEY

January 21st

YEAR OF THE GUERRILLA

January 28th

DRAFT DODGERS & CONSCIENCE

GLASGOW

Sundays at the Woodside Public Hall
at 7.30 pm

January 7th

CENSORSHIP OR FREEDOM

January 14th

THE RIGHT TO BE LAZY

January 21st

HUMANISM OR SOCIALISM

January 28th

ART & SOCIETY

MANCHESTER

Every Thursday at 8 pm

Waggon and Horses (corner Bridge St. and
Southgate, Deansgate)

MANCHESTER OUTDOOR MEETING

Every Sunday evening at
The Shambles

EDGWARE GROUP

Edgware Library, Hale Lane.

Thursday January 18 at 8.15 pm

A Socialist Looks at America

Speaker: D. Hidson.

Meetings also on

February 15 and March 21.

LEWISHAM

Room 1, 2 Davenport Rd. Rushey Green.
Catford, SE6

Mondays 8.15 pm

January 15th, 1968

World Without Money

January 22nd

Welsh Nationalism

BRIGHTON

Co-op Hall, London Road

A Socialist Returns from Russia

Monday January 15th, 8 pm.

MID HERTS

EDUCATIONAL PROGRAMME

October 1967 to May 1968

at Stevenage, Bedwell Community Centre
Mondays 8 pm

15th January 1968

Capitalism

19th February

Theories of Value before Marx

19th March

The Labour Theory of Value

22nd April

The Marginal Theory of Value

20th May

Money, Banking and Crises

WELWYN

Monday January 8 at 8 pm.

Campus Library

Is Art necessary?

Speaker: R. Lloyd.

Morality and Property

Under a system of chattel-slavery sheer
physical force was almost the sole means
of holding the slaves in subjection. It was
not necessary for a community of interests
between master and slave to be hypocritically
assumed and inculcated. What the slaves
thought was of little or no consequence
to their owners; morality was considered
no concern of slaves; it was held to be an
attribute of and an obligation upon
"free-men" alone.

On the contrary with serfdom, the greater
cohesion manifested by the workers made
it very necessary to use mental as well
as physical means to secure their complete
subjection. A pseudo-moral code was required
for the workers in order to guide
their activities along lines consistent with
the welfare of their exploiters. But a serf
who was compelled to part with both
labour and produce to a non-productive
lord could never be taught to believe that
he was not exploited, that he was a free
man, as it has been possible to teach the
wage-worker of today.

The awkward problem was ingeniously
solved by the Catholic clergy, the intellectual
and moral guardians of feudalism. They
zealously inculcated into the peasantry
the idea that the categories, king, lord, and
serf were of divine ordinance and unalterable,
and further, that the present life with
its poverty and riches, is only a preparation
for the coming "kingdom of God", where
those who had been meek and humble while
toiling and suffering "here below", would
dwell in happiness "amongst the best".

From the SOCIALIST STANDARD
January 1918.